

## CITY PERSONNEL

The City's operating departments are City Administration, Community Development, Finance, Public Works, and Recreation & Parks. For FY 2021-22, there are a total of 73 approved full-time positions, 70 of which are funded. Additionally, the City employs part-time staff that are equivalent to 27 full-time positions, the majority of which work in the Recreation & Parks Department. The remaining City services, including public safety, are provided by contracted outside agencies and vendors.

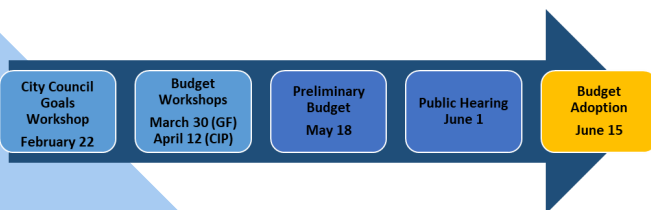
## BUDGET PROCESS

The City's budget process began in February with the City Council Goals Workshop. During this workshop the City Council reviewed the progress of the goals set during FY 2020-21. Additionally, the City Council established the framework for the FY 2021-22 goals and priorities for the upcoming budget.

The Goals Workshop is followed by two Budget Workshops which document the budget assumptions based on midyear figures. The General Fund Budget Workshop was held on March 30th and the CIP Budget Workshop was conducted on April 12th. Prior to this meeting Staff reported all assumptions, projects, and programs to the City Council's appointed Committees – Finance Advisory Committee (FAC), Infrastructure Management Advisory Committee (IMAC), and the Planning Commission (PC).

Staff then presented the Preliminary Budget to the City Council on May 18th. In this meeting Staff confirmed that the Preliminary Budget presented is in accordance with City Council Policy No. 45, Balanced Operating Budget, which ensures a structurally balanced budget, where recurring revenues are greater than or equal to recurring expenditures, is adopted.

After completing the City Council Goals Workshop in February, two Budget Workshops in March and April, and the review of the Preliminary Budget in May, the City Council was then presented with the FY 2021-22 Budget during a public hearing held on June 1st. The Budget Public Hearing contained a comprehensive report that documented the forthcoming year's budget. Additionally, this report highlighted a summary of the FY 2020-21 General Fund Balance and the FY 2021-22 Budget Assumptions for the General Fund, Capital Infrastructure Project Fund, Special Revenue Funds, and Equipment Replacement Fund. On June 15th the City Council continued the public hearing and adopted the budget for FY 2021-22.



## GOVERNING BODY

To contact the City Council, please send your email to [cc@rpvca.gov](mailto:cc@rpvca.gov). You can also find contact information for each Councilmember on the City's website at [www.rpvca.gov](http://www.rpvca.gov).

**Eric Alegria, Mayor**  
**David L. Bradley, Mayor Pro Tem**  
**John Cruikshank, Councilmember**  
**Ken Dyda, Councilmember**  
**Barbara Ferraro, Councilmember**

## RPV QUICK FACTS

- The City has 7.5 miles of Pacific coastline, a 1,400-acre nature preserve, and hundreds more acres of open space.
- The Portuguese Bend landslide is one of the most active in the world.
- Point Vicente Lighthouse is on the National Register of Historic Places and is operated by the United States Coast Guard.
- The Point Vicente Interpretive Center is a premier whale watching site to view the annual migration of the Pacific gray whale, from December through April.

Please contact City Staff if you have any questions or would like additional information.

**Trang Nguyen, Director of Finance**  
(310) 544-5278 [tnguyen@rpvca.gov](mailto:tnguyen@rpvca.gov)

**Vina Ramos, Deputy Director of Finance**  
(310) 544-5210 [vramos@rpvca.gov](mailto:vramos@rpvca.gov)

**Chris Browning, Senior Administrative Analyst**  
(310) 544-5205 [cbrowning@rpvca.gov](mailto:cbrowning@rpvca.gov)



## BUDGET IN BRIEF

FISCAL YEAR 2021-22



**CITY OF RANCHO PALOS VERDES**

## CITY MANAGER'S MESSAGE

This past year, we all realized the importance of community and resiliency. The impacts of the pandemic affected many facets of our lives and taught us lessons on our potential and capabilities for how we work, learn, shop, socialize, and live. Technology was both our saving grace and our peskiest nemesis. The pandemic affected personal and business finances, but we adjusted and adapted to a different way, and to some, that will be a new and better way of living. Similar to our personal experiences, the City had to adjust to how we spend money due to revenue reductions.

In preparing the budget for Fiscal Year 2021-22, thoughtful and careful attention was given to maintain the City Council's core values in fiscal conservatism and high service levels, and to honor past City Council decisions to maintain a strong reserve for any potential economic uncertainty. The City Council's adopted budget for FY 2021-22 includes General Fund expenditures that are \$1.6 million (6%) higher than the previous year. Revenues increased by \$1.2 million (4%) and the City is projected to maintain a strong excess reserve of \$8.8 million after the 50% City Council policy. The budget continues to fund activities that focus on the important goals adopted by the City Council: Public Safety, Infrastructure, City Land and Facilities, Quality of Life, Citizen Involvement and Public Outreach, and Government Efficiency and Transparency.

The City Council-adopted budget supports:

- Maintaining the highest level of customer service to the community
- Maintaining the highest level of public safety in the community, including enhanced service and response with the Los Angeles County Sheriff's Department to sustain low crime rates
- Continuing to fund the fuel modification and revegetation project
- Enhancing the City's natural environments to protect and preserve the City's quality of life
- Continuing to build on and improve the City's infrastructure

**Ara Mihanian, City Manager**

## ECONOMIC CHALLENGES OF 2021

Much like other local governments across the country, this year's budget process incorporated the impact of the economic downturn which began during the third quarter of FY 2019-20. The City's solid financial foundation, financially conservative approach, and stable property tax revenue has moderated the impact of the economic disruption caused by the pandemic. The sudden and unprecedented drop in TOT (transient occupancy tax) revenue has resulted in reassessment of the Capital Improvement Program (CIP), focusing on projects that were ranked the highest. Despite this, the FY 2021-22 General Fund is estimated to maintain a healthy fund balance. However, there will be fiscal challenges in the coming years that the City will need to prepare for. It is more crucial now for the City to continue to be fiscally prudent and produce a structurally balanced operating budget. The City also utilizes a 10-Year Model, developed for the first time, as an additional tool to engage in discussions and provide guidance in decision making.

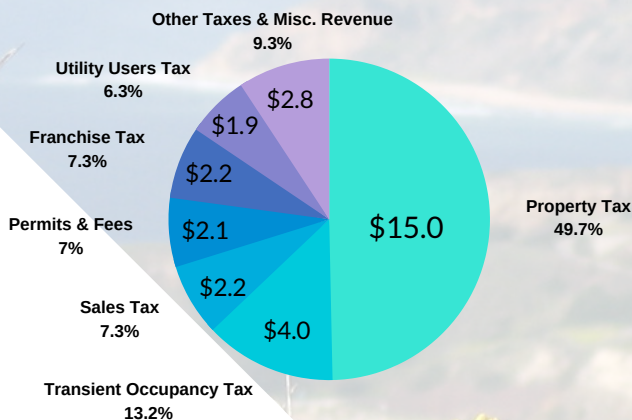
## GENERAL FUND

The General Fund is estimated to end FY 2021-22 with an unrestricted surplus of approximately \$8.8 million after applying the 50% City Council Policy Reserve of \$13.7 million.

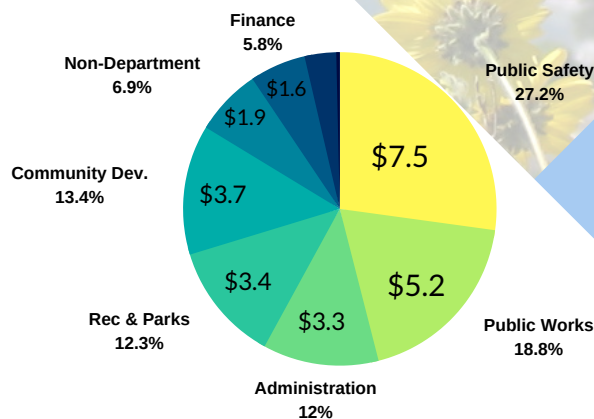
Consistent growth in Property Tax revenue is projected to continue during FY 2021-22. TOT revenue is estimated to increase to \$4 million, up from \$3.8 million in FY 2020-21 as the state continues to reopen and demand for travel increases. Total revenues are projected to reach \$30.1 million (excluding transfers).

The FY 2021-22 Expenditures are estimated at \$27.4 million, before transfers-out. After adding the transfers to the CIP and Other Funds of \$3 million, the adopted budget is approximately \$30.4 million, an increase of \$1.6 million or 6% over the FY 2020-21 adopted budget. Of this increase, \$1.4 million are mainly from one-time expenditures including additional Transient Occupancy Tax transfers to the Capital Improvement Fund, transfer to the Employee Pension Service Fund, and expenditures supporting the City Council Goals.

### FY 2021-22 General Fund Revenues



### FY 2021-22 General Fund Expenditures



All dollar amounts in charts are in millions

## CAPITAL IMPROVEMENTS

Recognizing the need for preventative maintenance and repairs to preserve City facilities and infrastructure, the City Council continues to fund multiple capital projects. The FY 2021-22 budget contains 21 proposed capital improvement projects with an estimated cost of \$8 million.

| FY 2021-22 CIP Projects   | FY 21-22 Projects |
|---|-------------------|
| Palos Verdes Drive South Landslide Area Resurfacing Program                       | 690,000           |
| Portuguese Bend Landslide Remediation   | 1,075,000         |
| Fence Replacement Program   | 215,000           |
| Ladera Linda Park and Community Center  | 150,000           |
| Lower Point Vicente Park Parking Lot Improvements                                 | 80,000            |
| New Civic Center Complex  | 225,000           |
| Restroom Improvements and Point Vicente Interpretive Center                       | 175,000           |
| Facilities Asset Management Program   | 100,000           |
| Storm Drain Asset Management Program  | 115,000           |
| Stormwater Drainage Improvements - 6415 Corsini Place                             | 60,000            |
| Traffic Signs Replacement Program   | 190,000           |
| Sidewalk Repair and Replacement Program   | 290,000           |
| Western Avenue Traffic Congestion Improvements                                    | 905,000           |
| CDBG - Americans with Disabilities Act - Infrastructure Improvements              | 150,000           |
| Palos Verdes Drive South Intersection Improvements                                | 645,000           |
| Arterial Roadway Rehabilitation - Silver Spur Road (North of Hawthorne Boulevard) | 575,000           |
| Pavement Management Program - Triennial Update                                    | 150,000           |
| Traffic Calming - PV Nature Preserve Parking Solutions                            | 75,000            |
| Traffic Calming - Citywide  | 695,000           |
| Guardrail Improvements along Palos Verdes Drive East                              | 999,900           |
| Arterial Roadway Rehabilitation - Silver Spur Road (South of Hawthorne Boulevard) | 455,000           |
| <b>Total Approved Projects</b>  | <b>8,014,900</b>  |

Although infrastructure needs and requests may be identified and discussed at any time, requests are formally gathered in the second quarter of the Fiscal Year. Starting in January, the Public Works department presents a list of current and proposed programs and projects to the Infrastructure Management Advisory Committee (IMAC) for review, feedback and recommendations. Subsequently, proposed new programs and projects are presented to the Planning Commission to verify that they are consistent with the goals and policies of the City's General Plan, and between April and June, the proposed CIP is presented to the City Council for consideration, approval and adoption.

